

The question that a sum of Rs. 2,000 be granted under Demand XXXIII—Loans—Industrial Loans—was put and carried.

The grant was made.

The question that a sum of Rs. 1,10,000 be granted under Demand XXXIV—Other Loans and Advances—was put and carried.

The grant was made.

The question that a sum of Rs. 1,20,400 be granted under Demand XXXV—Debt Heads Advances—was put and carried.

The grant was made.

The question that a sum of Rs. 5,50,000 be granted under Demand XXXVI—Debt Heads—Coinage Account—was put and carried.

The grant was made.

The question that a sum of Rs. 1,00,000 be granted under Demand XXXVII—Contribution to Distress Relief Fund—was put and carried.

The grant was made.

The House adjourned for lunch at 2-12 P. M. and reassembled at 3-15 P. M. with the President in the Chair.

LEGISLATIVE BUSINESS.

THE TRAVANCORE ANCHAL ACT (Amendment) BILL.

MR. K. G. KUNJUKRISHNA PILLAI: Sir, I rise to introduce the Travancore Anchal Act (Amendment) Bill. The Bill, with the objects and reasons, has been published in the Gazette. I move the Bill be read in the Assembly.

Sir, the amendment concerns itself with the schedule under the Act. Under Section 8 of the Act, the schedule is part of the Act and can be amended only by an Act of the Legislature or by an Act of the Sovereign. This amendment is necessitated because of the present war conditions. Due to the rise in the cost of paper, printing and also of other materials, it has been found desirable to increase the rates a bit. I may state here, Sir, that the rates now prevailing in the 'sister' State of Cochin are higher than those prevailing here and the rates that are proposed to be imposed by the amendment. Of course, the rates in British India are very much higher. I want to make it absolutely clear that the Schedule only provides for a maximum beyond which the Government cannot increase the rates. It does not, therefore, follow that that maximum is going to be adopted, immediately. In fact, it was stated on the floor of the House, both by the Financial Secretary and by the Dewan-President, that the intention is not to fix the minimum as it is enacted in the schedule. With these words, therefore, I commend the Bill to the consideration of the House.

MR. S. CHATTANATHA KARAYALAR: May I draw the attention of the Legal Remembrancer to the statement made by the Financial Secretary at page 8 of his speech?

PRESIDENT: I have made a formal correction.

There is one point which I want to make clear. I do not think that honourable members are aware of the background of the fiscal legislation of this year. There has been a complaint that certain States have not imposed taxation consonant and *pari passu* with the taxation in British India. Special attention has been drawn to the fact that Travancore has not introduced an Excess Profits Duty, although Hyderabad, Mysore, Baroda and Cochin have enacted similar measures. That was definitely not done by this Government for reasons which have been already explained. Attention has prominently been drawn to the fact that income-tax here is lower than in British India, and that if we keep the present level without at least attempting to raise taxation where taxation may not be so heavily felt—I do not conceal it from the House---the possibility is that in the course of the next one month or two---it will not be later than that---I might have to convene a meeting of the Assembly and the Council to inaugurate fresh taxation proposals; because, all over India the idea is to tax as heavily as possible and to make people contribute as much as possible to war loans and not have much money in their hands because extra money that is in their hands leads to inflation, leads to high prices and high prices may be attributed to the difficulties which we are experiencing. His Excellency the Viceroy's speech made the day before yesterday would have made the position clear. And it appears to me—I am mentioning it merely as a piece of advice, although I cannot conceal my apprehensions in this matter—that, even if we put down all this extra taxation as unnecessary—they are unnecessary in one sense, we do not want it for balancing our budget, we do not want it for our own expenditure—we will be obliged to impose such taxes. These taxation proposals are mainly intended to be in line with British India as far as possible with reference to the anti-inflation programme. The absence of uniformity with the rest of India might be difficult to justify. We have been trying our best.

MR. N. NARAYANA KURUP: I oppose the bill on principle. It is stated in the Objects and Reasons of the Bill that the amendment of the Anchal Act is necessitated due to the increase in the price of paper and the making charges of the Anchal covers. The reason is not convincing. Even in the black market we get a Punalur paper for one chackram. Government gets it at a cost of 8 cash. A quarter of a sheet of paper is sufficient for one cover. Therefore, the cost of paper required for one cover is only 4 cash. Even if the Government cannot get paper for a much lesser price and even assuming that the cost of making a cover is 4 cash one cover will cost only 8 cash. Therefore, there is a profit of 4 cash on one cover. Further, this is a thing which is quite necessary for the poor and the rich alike. Therefore, it is not right or proper to tax the poor people also on the grounds alleged by

[Mr. N. Narayana Kurup.]

the mover of the Bill or on grounds explained by the President. I perfectly agree with the taxation of the rich. But these Anchal covers are articles which the poor and the rich require for their own ordinary correspondence. It is further stated, Sir, that we have a surplus budget also. This is not the proper time for increasing the cost of Anchal covers and cards. No Native State has increased its postal charges. If the postal authorities have increased the fare, a postal letter has to go anywhere in India. But jurisdiction of our cover does not go beyond Travancore and Cochin. Sir, I doubt from this whether the Anchal Department is run on a profit and loss basis. A progressive Government shall not adopt such a principle. I oppose the Bill.

MR. K. G. KUNJUKRISHNA PILLAI: I want to speak only one word in reply to what has fallen from the honourable member, Mr. Narayana Kurup. Sir, he was calculating the price of paper at one chuckram per paper and then saying that a cover can be made at a cost of not more than eight cash. But he has forgotten that between the paper and the cover, as it is given to the ordinary person who goes to purchase the cover, there is a lot of other expenditure. There is a whole department to work, and there are people to be paid. I may also state that in the statement of Objects and Reasons, it is not either desirable or proper, that I should state the higher policy of the Government of India. I stated what is strictly the immediate point, that is, the rise in cost of paper and other materials.

MR. M. R. NARAYANA PILLAI: May I know from the honourable Legal Remembrancer whether the Government could make it possible to see that there is more gum used in these Anchal covers at least hereafter?

MR. K. G. KUNJUKRISHNA PILLAI: That also means increased cost. But Government is perfectly prepared to do it.

MR. K. G. GOVINDAN: What is the price of the covers which Government are going to fix?

MR. K. G. KUNJUKRISHNA PILLAI: That has been stated, on the floor of the House, by the Dewan-President.

SADASYATILAKA T. K. VELU PILLAI: Are we to take our stand on the explanation of Imperial and Political policies from the Chair, or on the reason given by the mover?

PRESIDENT: Both. I will tell you why. The first applies to all taxation measures; the second probably to this Anchal business. But all taxation business is covered by both.

MR. P. NARAYANA PILLAI: May I know whether the operation of this Bill will be only temporary, for the duration of the war?

PRESIDENT: So long as the present policy of the Government of India lasts.

The question that the Bill be read in the Assembly was put and carried.

Title of the Bill.

The Secretary read the title of the bill. The Travancore Anchal Act (Amendment) Bill.

THE TRAVANCORE SALE OF GOODS ACT (AMENDMENT) BILL. 755

MR. K. G. KUNJUKRISHNA PILLAI: I move that the bill be taken into consideration and I pray that Standing Order 32 be waived for that purpose. The motion was put and carried.

Clause 1.

The question that Clause 1 do stand part of the bill, was next put and carried.

Clause 1 was added to the bill.

MR. G. VELU PILLAI: In view of the Dewan-President's assurance that the price of Archal covers and cards would be at one chuckram and eight cash respectively, I do not oppose the bill.

Clause 2.

The question that Clause 2 do stand part of the bill was put and carried.

Clause 2 was added to the bill.

The question that the Preamble do stand part of the bill was put and carried.

The Preamble was added to the bill.

MR. K. G. KUNJUKRISHNA PILLAI: I move that in Clause 1, sub-section 1, after the figures "111," the figure '9' be added.

The motion was put and carried.

MR. K. G. KUNJUKRISHNA PILLAI: I move that the Bill be passed.

The motion was put to vote and carried.

MR. K. G. KUNJUKRISHNA PILLAI: In Clause 1, sub clause 3, with "It shall come into force on," I move that the figures "1-1-1119" be added.

The motion was put to vote and carried.

THE TRAVANCORE SALE OF GOODS ACT
(AMENDMENT) BILL.

MR. K. G. KUNJUKRISHNA PILLAI: Sir, I rise to introduce the Travancore Sale of Goods Act (Amendment) Bill.

The bill has been published in the statement of objects and reasons in the Gazette. I move the bill be read in the Assembly.

SECRETARY: The title of the Bill shall be "The Travancore Sale of Goods (Amendment) Bill".

MR. K. G. KUNJUKRISHNA PILLAI: There is only one section. That is intended for the sake of those people who enter into a contract. This bill has been passed both in British India and the sister State of Cochin. I move that the bill be taken into consideration and I pray that standing order 32 may be waived for the purpose.

The motion was put to vote and carried.

Clause 1.

The question that Clause 1 do stand part of the bill was put and carried.

The clause was added to the bill.

Clause 2.

The question that clause 2 do stand part of the bill was put and carried.

Clause 2 was added to the bill.

Vol XXII. No. 11.